

## **REMARKS**

Claims 20-29 were pending in the application. Upon entry of this response, claims 20, 23, 24, 26, 28 and 30-33 will be presented for examination, claims 21, 22, 25, 27 and 29 having been canceled in this paper and new claims 30-33 having been added. More specifically, independent claims 20, 24, 26 and 28 have been amended to include the limitations of former dependent claims 21, 22, 25, 27 and 29, now canceled. Further limitations, which will be discussed below, have also been added to the independent claims.

### **Claim Rejections under 35 USC § 112**

Claims 20, 23, 24, 26 and 28 are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite.

To overcome this rejection, the term “significant”, which the Examiner apparently considers to be relative and undefined, has been removed from independent claims 20, 24, 26 and 28. It is therefore believed that the claims are now sufficiently definite to satisfy the statute, and it is respectfully requested that the rejection under § 112, second paragraph be reconsidered and withdrawn.

### **Claim Rejections under 35 USC § 101**

Claims 20 and 23 are rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

It is noted that, as now amended, claim 20 recites “logging [an] alert in a database that is stored in a computer”. Judging from the Examiner’s remarks in the first full paragraph on page 9 of the present Office Action, she broadly interpreted the term “database” to encompass “non-computerized collections of data”, so that former claim 21 (now incorporated in claim 20) fell, in the Examiner’s view, outside of the ambit of statutory subject matter. With the amendment to

claim 20 that now specifically characterizes the claimed database as “stored in a computer”, it is believed that claim 20 is now clearly directed to statutory subject matter. It is therefore respectfully requested that the rejection under § 101 of claim 20 and of its dependent claim 23 be reconsidered and withdrawn.

**Claim Rejections under 35 USC § 103**

Claims 20, 23, 24, 26 and 28 are rejected as being unpatentable over Heckman et al, U.S. Patent Number 5,875,431.

Claim 20, as now presented, is directed to a “method” which includes “receiving a report from outside counsel”, “identifying a business practice to which the report is relevant”, “evaluating the report relative to the business practice to determine whether the report is indicative of a risk of litigation”, “determining that the business practice presents a risk of litigation”, “issuing an alert that identifies the business practice as a risk of litigation”, “logging the alert in a database that is stored in a computer” and “updating the database to indicate that corrective action has been taken relative to the logged alert”. It is further recited in claim 20 that “said corrective action compris[es] termination or modification of the identified business practice”.

As noted above, claim 20 has been amended to incorporate the limitations of its former dependent claims 21 and 22. In addition, a limitation has been added to claim 20 to specify that the “corrective action” recited in claim 20 comprises “termination or modification of the identified business practice”. Support for this limitation is found at page 4, line 31 to page 5, line 4 of the present application.

In general terms, the Heckman patent is concerned with a system for planning, managing and tracking high dollar value litigation. As to the underlying causes of the litigation in question, the activities taught in Heckman fundamentally look backward to past events from which the court case or potential claim arose. To the contrary, the litigation early warning system of the present invention is forward-looking in that it is concerned with identifying, and if necessary terminating or modifying, business practices to prevent future cases or claims from arising. More specifically, even if Heckman can properly be characterized as teaching “identifying a

business practice”<sup>1</sup>, Heckman makes no mention at all of a “corrective action” that comprises “termination or modification” of a business practice, as now recited in claim 20. It is therefore respectfully submitted that, at least as now presented, claim 20 is patentable over the Heckman reference.

Claim 23 is dependent on claim 20 and is submitted as patentable on the same basis as claim 20.

Claims 24, 26 and 28, which are the other independent claims, have been amended in substantially the same manner as claim 20, and are submitted as patentable on the same basis as claim 20.

\* \* \* \* \*

New claims 30-33 are respectively dependent on claims 20, 24, 26 and 28 and recite the additional limitation that the report from outside counsel recited in the parent claims is “received by a company and concerns litigation to which the company is not a party”. Support for this limitation is found at page 3, lines 24-25 of the present application.

Being dependent on the independent claims discussed above, new claims 30-33 are believed to be allowable for the reasons discussed above in regard to claim 20. Moreover, claims 30-33 support an additional ground of allowability in that any reports received from outside counsel in Heckman are concerned with a litigation or potential claim related to the recipient of the report, and are not concerned with litigation to which the recipient is not a party.

## CONCLUSION

Accordingly, Applicants respectfully request allowance of the pending claims. If any issues remain, or if the Examiner has any further suggestions for expediting allowance of the

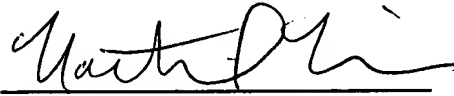
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<sup>1</sup> Applicant respectfully observes that “medical malpractice, products liability, environmental remediation, intellectual property litigation, patent infringement, and breach of contract”, cited by the Examiner at page 10 of the present Office Action as examples of “business practices” identified in Heckman’s system, are more properly characterized as categories of legal disputes, rather than “business practices”. Applicant’s view in this regard is supported by the dictionary definition of a “practice” as “a habitual or customary action or way of doing something”.

present application, the Examiner is kindly invited to contact the undersigned via telephone at (203) 972-3460.

Respectfully submitted,

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Date

A handwritten signature in black ink, appearing to read 'Nathaniel Levin', written over a horizontal line.

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